SENATOR CRITICIZES GATES FOR ROLE IN PREPARING MISLEADING CASEY TESTIMONY BY JIM DRINKARD WASHINGTON

A member of the Senate Intelligence Committee today accused Robert M. Gates, President Reagan's choice to head the CIA, of trying to evade responsibility for misleading testimony presented to the panel by former agency director William Casey last year.

Sen. Arlen Specter, R-Pa., said Casey's testimony about the Iran-Contra affair on Nov. 21 had been "skimpy, scanty, uninformative and really misleading," and noted that Gates had directed preparation of the statement.

"You are trying to distance yourself from that testimony, "Specter said as Gates underwent a second day of sharp questioning in his confirmation hearings.

He said Gates' explanation of his role as having directed preparation of the Casey testimony but not its details was "a shading that has a shade of dissembling." Gates defended his action, saying that the testimony "was a fair statement of what we knew at the time. We thought it was important to get the facts out. "Gates added that the agency itself was having difficulty at the time just four days before the diversion of money from the Iran arms sale to Nicaragua's Contra rebels became public gathering the facts about its own involvement.

After completing 8 1/2 hours of testimony over two days of public hearings, Gates called the sessions "healthy" and "important in terms of clearing the air" about the agency's involvement in the Iran dealings.

In response to other questions, Gates attempted to quiet concerns he raised on Tuesday during his first day of hearings when he said the Iran deal was primarily a diplomatic initiative carried out by the National Security Council.

"The NSC operation clearly was not a diplomatic initiative, "he said today .
"It was much broader than that."He added: "I think a lot of different
institutions have learned a lot of lessons out of this entire affair. "Gates said
the CIA is pursuing a "fairly extensive internal investigation" into whether
the agency violated Congress' ban on military aid to the Nicaraguan rebels.

At the White House, meanwhile, presidential spokesman Marlin Fitzwater said Reagan believes Gates "is an outstanding nominee ... and we believe the nomination process will show him to be the high quality candidate that we believe he is. "Testifying Tuesday, Gates said agency officials had avoided learning about diversion of Iran arms sale money to the Nicaraguan Contras to avoid accusations of violating Congress' ban on aid to the rebels.

"We don't have the faintest idea how much the Contras obtained from various sources" during the two-year aid ban that began in 1984, Gates said. "We tried to build in a buffer. ... It was best to build as big a buffer as possible. "Gates said agency officials from top to bottom had been instructed to stay far clear of anything dealing with Contra aid.

"It was out of caution to avoid crossing the bounds of the permissible that CIA officers at all levels were urged to avoid involvement with matters concerning private efforts to support the Contras," Gates said.

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The committee chairman, Sen. David Boren, D-Okla., said any vote on whether to confirm the 43-year-old career intelligence analyst to succeed the ailing Casey would be delayed at least until early March, in part to see whether Reagan's commission investigating the Iran-Contra scandal turns up additional information on the CIA's conduct.

"I don't think any members of the committee have prejudged this or decided how the're going to vote," Boren said, although the consensus on Capitol Hill was that Gates would have a relatively easy time winning confirmation, barring any late and damaging revelations.

Under close questioning on Tuesday, Gates promised to report any illegal or suspicious intelligence activities to Congress but said he had not challenged the Iran-Contra arms deal because there was no evidence of wrongdoing.

"While this was a risky operation, there was no reason to quarrel with it," he said at one point, prompting a quick response from committee vice chairman Sen. William Cohen, R-Maine.

"Of course there was reason to quarrel with it," Cohen said, reminding Gates that during questioning earlier in the day the nominee had said he would have approached the situation far more skeptically than Casey apparently did and ultimately would have recommended against the deal if he had been director at the time.

"You are an ambitious young man. ... You didn't want to rock the boat," Cohen said, advising Gates against trying to adopt the administration's rationales that the initiative was a justifiable foreign policy exercise.

"No one wanted to know what was going on," Cohen said of the agency's response to the Iran initiative, which was carried out by the White House National Security Council staff. "Everybody was kind of putting up buffers, as you said. They didn't want to get involved. "He added: "I would simply suggest to you that the responses you have been giving to these members are not satisfactory. "When panel members asked Gates to go into more detail about his knowledge of the arms shipments or of the diversion of money to the Contras. he said his information was limited, in part because of an informal "division of labor" in which Casey took the lead on Iran and Central America and Gates, as Casey's deputy for the 10 months, oversaw other areas.

Gates told the panel his primary regret about the CIA's handling of the affair was its failure to press Reagan to lift his ban on disclosure of the initiative to the intelligence committees. He said if the president ever asked him to withhold notification in the future for more than a few days, "I would contemplate resignation." jpd